



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

00-PRO-701

AUG 31 2000

Mr. R. D. Hanson, President
Fluor Hanford, Inc.
Richland, Washington 99352

Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RL13200 – EXECUTION OF CONTRACT MODIFICATION
M114

Enclosed for your files is one fully executed original of contract modification M114,
including one duplicate original of Fiscal Year 2000 Performance Incentive FDH-CP-2, Stabilize
Pu, Revision: 1. If you have any questions regarding this matter, please contact me at
(509) 376-8948.

Sincerely,


Sally A. Sieracki
Contracting Officer

PRO:GFC

Enclosures

cc w/encls:
J. L. Jacobsen, FHI

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 7
2. AMENDMENT/MODIFICATION NO. M114	3. EFF. DATE Aug 31, 2000	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)	
6. ISSUED BY CODE U.S. Department of Energy Richland Operations Office 825 Jadwin Avenue MSIN A7-80 Richland WA 99352		7. ADMINISTERED BY (If other than item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and Zip Code) Filor Hanford, Inc. 2420 Stevens Drive P.O. Box 1030 Richland WA 99352		9A. AMENDMENT OF SOLICITATION NO. 9B. DATED (SEE ITEM 11) 10A. MODIFICATION OF CONTRACT/ORDER NO. X DE-AC05-96RL13200		
CODE 12345678	FACILITY CODE	10B. DATED (SEE ITEM 13) 08/03/1995		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers ☐ is extended, ☐ is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter provided each telegram or letter makes reference in the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (Such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103 (b).
X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF Clause h.41: Performance Objectives, Measures, Expectations
D. OTHER (Specify type of modification and authority)

E. IMPROVEMENT: Contract: ☐ Is not ☒ Is required to sign this document and return 2 copies to issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UIC section headings, including solicitation/contract subject matter where feasible.)

The purpose of this modification is to incorporate Fiscal Year 2000 Performance Incentive FDH-CP-2, Stabilize PL. Revision 1. into Part III, Section J, Appendix D of the contract.

<div> <div>Reviewed</div> <div>Approved</div> </div>		Except as provided herein, all terms and conditions of the document, including item 14A or 10A, as hereinafter changed, remains unchanged and in full force and effect.	
15A. NAME AND TITLE OF SIGNER (Type or print) Ron D. Hanson President and Chief Executive Officer	10A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Sally A. Sieracki	15B. CONTRACTOR/OFFEROR <i>Ron D. Hanson</i> (Signature of person authorized to sign)	15C. DATE SIGNED 8/14/00
15D. UNITED STATES OF AMERICA BY <i>Sally A. Sieracki</i> (Signature of Contracting Officer)		16C. DATE SIGNED 31 Aug 00	

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules**SECTION 1
GENERAL INFORMATION****DUPLICATE
ORIGINAL**

Performance Incentive Number: FDH-CP-2
 Performance Incentive Short Title: Stabilize Pu
 Revision Number & Date: Rev. 1, 07/24/00
 Maximum Available Incentive Fee: 29% of (available fee in Contract Clause B.4 minus \$3M)
 Performance Incentive Type: ☒ Regular ☒ Stretch ☐ Superstretch
 (check appropriate box)

**SECTION 2
PERFORMANCE OUTCOMES**

Check appropriate box:

- ☐ Outcome #1: Restore the River Corridor for multiple uses
☒ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the Future

**SECTION 3
PERFORMANCE OBJECTIVE(S), MEASURES AND EXPECTATIONN(S)**

List associated performance objectives, measures, and performance expectations. Identify associated PBS # for each performance objective and/or measures as appropriated.

Performance Objective: Disposition Pu, U, & Cs/Sr Capsules,

PBS RL TP-05

Measure 1 - Pu metal/oxides/other types dispositioned

1.a. Pu metal/oxide/polycubes stabilized (items)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	400	450 to 1000 @ 50 Increment
FY01	501	NA
FY02	1428	NA
FY03	2295	NA
FY04	1281	NA
FY05	0	

1.b. Pu Solutions stabilized (liter)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	255	280-380 @ 20 Increment
FY01	2045	NA
FY02	1960	NA
FY03	0	NA
FY04	0	NA
FY05	0	NA

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules**DUPLICATE
ORIGINAL****1.c. Pu Residues stabilized (Kg bulk)**

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	29	60 to 300 @ 30 increments
FY01	0	NA
FY02	1491	NA
FY03	1515	NA
FY04	374	NA
FY05	0	NA

1.d. Stabilized PU packaged (BTS cans)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	N/A	1
FY01	300	NA
FY02	700	NA
FY03	800	N/A
FY04	900	N/A

**SECTION 4
FEE SCHEDULE***Identify fee schedule by performance objective and/or measure(s)*

Regular = 40% of the fee available for this Performance Incentive

Stretch = 60% of the fee available for this Performance Incentive

* At least 100 items must be processed under 1.a. and 80 liters must be processed via MgOH under 1.b. and 7 Kg bulk residue must be processed under 1.c. before the contractor is eligible to earn fee for any of the stretch expectations.

1.a. Pu metal/oxide/polycube stabilized (items)

Regular = 16% of available fee for this PI

Stretch = 24% of available fee for this PI

450 items = 2% of available fee for this PI

500 items = 4% of available fee for this PI

550 items = 6% of available fee for this PI

600 items = 8% of available fee for this PI

650 items = 10% of available fee for this PI

700 items = 12% of available fee for this PI

750 items = 14% of available fee for this PI

800 items = 16% of available fee for this PI

850 items = 18% of available fee for this PI

900 items = 20% of available fee for this PI

950 items = 22% of available fee for this PI

1000 items = 24% of available fee for this PI

1.b. Pu Solutions stabilized (liter)

Regular = 16% of available fee for this PI

Stretch = 14% of available fee for this PI

280 liters = 3% of available fee for this PI

300 liters = 6% of available fee for this PI

320 liters = 8% of available fee for this PI

340 liters = 10% of available fee for this PI

360 liters = 12% of available fee for this PI

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

380 liters = 14% of available fee for this PI

**DUPLICATE
ORIGINAL**

- 1.c. Pu Residues stabilized (Kg bulk)
 Regular = 8% of available fee for this PI
 Stretch = 16% of available fee for this PI
 60 Kg bulk = 2% of available fee for this PI
 90 Kg bulk = 4% of available fee for this PI
 120 Kg bulk = 6% of available fee for this PI
 150 Kg bulk = 8% of available fee for this PI
 180 Kg bulk = 10% of available fee for this PI
 210 Kg bulk = 12% of available fee for this PI
 240 Kg bulk = 14% of available fee for this PI
 270 Kg bulk = 15% of available fee for this PI
 300 Kg bulk = 16% of available fee for this PI

- 1.d. Stabilized Pu Packaged (BTS cans)
 Regular = N/A
 Stretch = 6% of available fee for this PI

Note: Fiscal year 01 through 05 are provided for future planning purposes only. No fee is assigned to these items in FY00.

**SECTION 5
PERFORMANCE REQUIREMENTS.**

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure. (N/A in FY 2000)*

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance $[(BCWP-ACWP)/BCWP]$ greater than 5.0 percent, or incur any unfavorable schedule variance $[(BCWP-BCWS)/BCWS]$ greater than 7.5 percent, measured at the Project Baseline Summary level at the end of FY 2000.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared).*

The plutonium materials stabilization is considered complete when:

- 1.a. Plutonium oxides are considered stabilized when they have met the DOE-STD-3013 stabilization criteria (thermally stabilized at 950 degrees C for two hours, have a measured LOI of less than 0.5%), and are packaged and placed in vault storage.

Plutonium metal is considered stabilized when it has been brushed to remove surface oxide and has been packaged in a BTS container and placed in vault storage. The brushed oxide must be treated as described above except for the one item required to meet the stretch performance measure 1.d. For the special case in which plutonium metal must be stabilized in accordance with the criteria established by the enhanced metal surveillance plan, prior to the availability of the BTS, that Plutonium metal may be stabilized via oxidation and the oxide created stabilized in accordance with the paragraph immediately preceding.

Polyoxides are considered stabilized when they have been treated to eliminate the organic constituents, the residue of that process has been thermally stabilized to meet the DOE-STD-3013

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

stabilization criteria (950 degrees C for two hours, an LOI of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.

**DUPLICATE
ORIGINAL**

- 1.b. Plutonium solution is considered stabilized when the plutonium has been separated from the solution, the plutonium residue has been thermally stabilized to meet the DOE-STD-3013 stabilization criteria (950 degrees C for two hours, an LOI of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.
- 1.c. Plutonium residues are considered stabilized when they are treated (if required) and placed in a drum/pipco, and meet the Hanford Site Waste Acceptance Program criteria which incorporates the current WIPP Waste Acceptance Criteria (WAC) requirements.
- 1.d. For purposes of this measure, the plutonium is considered packaged when the material and packaging meet the requirements of the DOE-STD-3013 "inner can" and routine inner packaging operations are initiated.

Plutonium oxides, metal, alloys, solutions and residues are also considered stabilized when they have been sent to another site for treatment or disposition. Plutonium materials (Pu, Pu + U) removed from the Hanford DNFSB 94 1 inventories through other means (e.g., sent to tank farms) shall also be considered stabilized.

All packaging shall be in DOE-STD-3013 compliant container except as follows:

HCC or facility approved (e.g., food pack) container may be used as package containers until the BTS/3013 is available (in full operations).

Metal shall be packaged in the BTS inner can.

Residues shall be packaged as appropriate to meet Hanford Site Waste Program and WIPP WAC requirements.

DEFINITIONS: (define terms)

HCC	Hanford Convenience Can
LOI	Loss On Ignition (or approved substitute) ~ a test to determine product moisture content
WIPP	Waste Isolation Pilot Project
BTS	Bagless Transfer System
Liters	For purposes of calculating liters processed, it is assumed that each solution bottle contains the full volume of solutions (e.g. A 10 liter bottle contains 10 liters of solution).
Furnace Days	The number of thermal stabilization muffle furnaces installed and planned for process operation of a thermal stabilization activity (oxides processing, polycube processing, solutions processing, and metals processing as examples) times the number of work days in a particular period of interest.
Items	For purposes of calculating oxides/metal/polycubes, an item is assumed to be foodpack cans. One foodpack can of Polycubes is counted as two items toward completion of the measure. However, credit toward completion of the measure shall not change the method of reporting MYWP and EM performance metrics. For the special case where Plutonium metal items must be stabilized in accordance with the criteria established by the enhanced metal surveillance plan, prior to the availability of the BTS, the metal items converted to oxide and stabilized are counted on an equivalency basis calculated from the quantity of oxides stabilized during a period of four calendar weeks beginning July 17, 2000. The equivalency is as follows:

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules**DUPLICATE
ORIGINAL**

Pu metal items oxidized and stabilized, packaged and placed into vault storage will be credited towards the oxides stabilization criteria at a rate calculated based upon work performed during the four calendar weeks (a minimum of the 18 regularly scheduled work days). For the regularly scheduled workdays, five furnaces shall be considered planned and for any additional workdays only the actual furnaces in operation will be considered. The actual equivalency will be calculated by establishing the number of oxide items stabilized during the period and dividing that by the number of furnace days for the period. That yields the number of items per furnace day produced. That number is then compared with the actual experience of stabilization of those metal items (46 furnace days for 7 metal items) that must be stabilized prior to the availability of the BTS.

For example, the four calendar week period starting July 17 contains 18 work days. Multiplied by 5 furnaces yields 90 furnace days. If 180 oxide items are stabilized during the same period that yields 2 oxide items per furnace day. Taking that to the number of furnace days expended stabilizing the metals 46, gives 92 oxide items that would have been stabilized during the period and yields an equivalency of $92/7=13.1$ oxide items per metal item.

Routine Packaging Consecutive containers are processed/welded and moved to, or staged for, the next processing step. Minor adjustments and maintenance is allowed. Excessive delay (greater than 7 days) due to ATP/OTP oversights for the bagless transfer equipment and directly supporting facility systems will invalidate initiation of routine packaging.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

The documentation which must be readily available and an item crosswalk document provided to demonstrate completion of this Performance Incentive:

(The documents listed below may be classified, and the document record number will be referenced in the Completion Package.)

- 1.a. For plutonium oxides (PU, PU+U), a table providing each original container number, the run number it was processed in, the LOI sample results for that run (including sample number), and current vault storage container number shall be provided.

For plutonium metal, a table providing the original container number for each metal piece dispositioned, the amount of oxide removed, the new metal weight, the current vault storage container number, the run number for calculation of the brushed oxide, LOI data for that run, and current vault storage container number. For purposes of computing the item equivalent for the special case metals, a Thermal Stabilization logbook documenting the workdays during the 4 week period and a table identifying the oxide items stabilized during that time period.

For polycubes, a table providing each original container number, the run number(s) it was processed in, the LOI sample results for those runs (including sample number), and current vault storage container number shall be provided.

- 1.b. For plutonium solutions, the bottle numbers associated with each hatch, the furnace run numbers for the resulting precipitate treatment (or prototype calcliner or other labs run number), LOI data for those runs, and current vault storage container numbers. Note: It is recognized that there will likely

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

be some mixing of solution between runs as the result of heels. It is not expected that this be accounted for in the data provided for this Performance Incentive.

**DUPLICATE
ORIGINAL**

- 1.c. For plutonium residues, a table providing each original container number and its bulk weight, the treatment/repackaging run number, the can number of the material after treatment/repackaging, and the WIPP drum or pipe number it was placed in and the approved Waste Profile Sheets for each container.
- 1.d. For stabilized plutonium packaged, a table providing the current vault storage container (BTS) number, leak check results and a crosswalk to the stabilization data provided as completion validation for measures 1.a. and 1.b. of this Performance Incentive.

Records shall be available that can be used to verify the data in the table provided. The evaluator shall verify the data using a sampling technique.

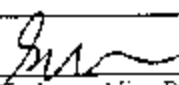
ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiations).*

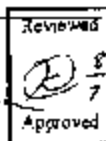
WIPP waste acceptance requirements (WAC) currently being used to develop the Hanford Site Solid Waste Acceptance Program and used to develop the Plutonium residues disposition path forward at PFP. If changes to the WIPP WAC and Hanford certification place additional requirements on PFP this PI will be revisited.

LOI will remain an acceptable method for measuring moisture content of the material covered by this PI to demonstrate meeting the DOE-STD-3013 stabilization standard. If the standard is updated requiring a different method to be performed this PI will be revisited.

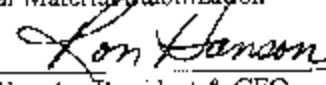
The bagless transfer equipment provided by Savannah River Site (SRS) will be delivered in accordance with the memorandum of Understanding established between Hanford and SR. DOE guarantees delivery (to Hanford) of bagless transfer equipment provided by Savannah River Site (SRS) within 22 weeks of FDH delivery (at SRS) of Hanford supplied glovebox. If DOE fails to meet this commitment this PI will be renegotiated.

**SECTION 6
SIGNATURES**


G. W. Jackson, Vice President
Nuclear Material Stabilization

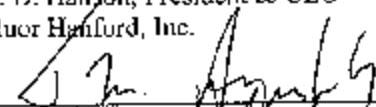


Date 8/8/00

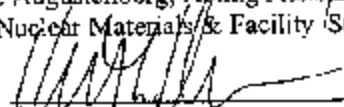

R. D. Hanson, President & CEO
Fluor Hanford, Inc.

LEGAL

Date _____


J. M. Augustenborg, Acting Assistant Manager
For Nuclear Materials & Facility Stabilization

Date 8/17/00


K. A. Klein, Manager
Richland Operations Office

Date 8/23/00



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

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Fluor Hanford, Inc.
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Pu, Revision 1. If you have any questions regarding this matter, please contact me at
(509) 376-8948.

Sincerely,

ORIGINAL SIGNED BY:

Sally A. Sieracki
Contracting Officer

PRO:GFC

Enclosures

cc w/encls:

J. L. Jacobsen, TII

bcc w/encls:

PRO Off File

PRO Rdg File

CCC Rdg File

G. F. Champlain, PRO

Record Note: None

H:\Plum\Mods\M114\Mod M114 Execution Ltr

RECEIVED

SEP 05 2000
DOE RL/CCC

Office >	PRO <i>[Signature]</i>	PRO <i>[Signature]</i>					
Suriname >	CHAMPLAIN	SIERACKI					
Date >	8/29/00	31 Aug 2000					

(Please return to Rosie Garza 67736 / 7-201/FED FAX/6-5378)

Document No.22074